

2004-2005 Budget Highlights

INFRASTRUCTURE

- ❖ **Historical Bonds** - \$1.6 million for the Collections Resource Center Planning, Historic Fort Wayne-Renovation and Main Museum American Disability Act Improvement.
- ❖ **Police Bonds** - \$6.1 million for several projects. These projects have been mandated by the Department of Justice and grouped into two categories: existing facility upgrades and training facilities.
- ❖ **Recreation Bonds** - \$6.7 million for Park Development – Force Work, Parks and Landscapes, Paradise Valley Memorial Park and Recreation Facility Improvements.
- ❖ **Detroit Zoo Bonds** - \$3.4 million for the Belle Isle Nature Zoo, Paving/Roads/Utilities, Southeast Oakland County Water Authority (SOCWA) DEQ/Freshwater Backflow Prevention Mandate and other improvements.
- ❖ **Detroit Institute of Arts Bonds** - \$5 million in bonds for the North Wing remediation and \$124,400 in investment earnings.
- ❖ **Charles H. Wright Museum of African-American History Bonds** - \$1.2 million for the core exhibit.
- ❖ **Library Bonds** – A total of \$736,600 in investment earnings for the American Disability Act renovations.

FISCAL RESPONSIBILITY ITEMS

- ❖ **Take Home Vehicles** – A reduction of 57% in take home vehicles. 74 vehicles will be sold. A new policy will be implemented that provides vehicles to employees on an economic and business basis versus a perk.
- ❖ **Citywide overtime** – 13% reduction in overtime.
- ❖ **Fee Study** – Finance Department is conducting a fee study of five (5) departments; Department of Public Works, Fire Department, Police Department, Recreation Department and Department of Health and Wellness Promotion. Many departments have not reviewed fees in a number of years.
- ❖ **Lease agreements** – A review is being conducted of citywide leases by professional facility managers. They will renegotiate leases on the city's behalf which should result in a 15% savings.
- ❖ **The Strategic Management Center** is being established to focus on execution of citywide strategic goals as well as revenue enhancements and cost reduction initiatives.
- ❖ **Communication Consolidation** – Centralize print shop operations into one coordinated reproduction center which will reduce printing costs and provide higher quality print material. Centralize public relation operations to increase

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consistency of message and economy of scale.

- ❖ **Property Tax Collection** – Effective March 2004 Wayne County will collect delinquent property tax bills.
- ❖ **Personal Property Tax Audit** – The Assessors Division of Finance received a state grant to perform audits of personal property from businesses.
- ❖ **Pension Obligation Bonds** – The City will issue pension bonds to satisfy all the unfunded liabilities associates with our pension funds. This is a one-time contribution for this year which will produce savings for the city over the next 10 to 12 years by paying these obligations up front.
- ❖ **Position Changes** – 962 fewer positions in 2004-2005, including layoffs.

MAYORAL INITIATIVES

- ❖ **Department of Administrative Hearings** – This department is being established to strengthen code enforcement efforts by assessing and collecting civil fines and costs for blight violations issued under the 1984 Detroit City Code. This agency will adjudicate all blight violations from the specific code enforcing agencies.
- ❖ **Host Community Agreements** - Environmental Affairs will enter into Host community agreements with solid waste facilities doing

business in the city. This will allow the city to monitor and bring into compliance these facilities.

- ❖ **Housing** – The Detroit Housing Commission will function as a separate independent entity in FY2004-05 and is not reflected in the Budget.
- ❖ **Recreation Department's** – A total of twelve (12) additional part-time positions will be added to the staff at Recreation Centers and will provide a clean, safe, nurturing environment for our kids who attend the Summer Day Camps.
- ❖ **Buildings and Safety Engineering Department** General fund subsidy reduced to \$0.
- ❖ **Transportation Operations subsidy** increased from \$68.2 million to \$69.6 million, an increase of \$1.4 million.
- ❖ **The Detroit People Mover subsidy** was reduced by \$2.5 million.
- ❖ **Airport's subsidy** reduced to \$2.5 million.
- ❖ A total of \$10.5 million in block grant funds is recommended for the Demolition Program.
- ❖ Block Grant Nuisance Abatement Program eliminated.
- ❖ **Special Area Maintenance Program (SAM)** – Detroit Building Authority will implement

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the final phase of the exit strategy to eliminate service to several project areas throughout the City. Previously, the SAM Program provided landscape maintenance, litter clean up, electrical maintenance for pedestrian lighting and mechanical maintenance for fountains and underground sprinkler systems. These functions will be picked up by the business owners.

- ❖ A total of \$28.4 million is included in Internal Service Fund for vehicle fleet purchases. Vehicles will be provided for DPW, Fire, Health, PLD, Police, Environmental Affairs, 36th District Court, Recreation, Zoo, Airport and Elections.

